

Voluntary - Public

**Date:** 18-08-2009

**GAIN Report Number:** CI9018

## Chile

**Post:** Santiago

### Wine Competition Voluntary Report

#### Report Categories:

Wine

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#### Report Highlights:

**A recent Wine Production Report published by SAG (the Agriculture and Livestock Service) reveals a 13.6 percent increase of wine production in 2009 when compared to the previous year.**

#### General Information:

Wine production in CY2009 increased 13.6 percent when compared to the previous year, according to SAG (the Agriculture and Livestock Service of the Ministry of Agriculture). SAG regulates and certifies wine production in Chile. All wine produced for both the domestic and export market is periodically sampled by SAG. They also issues certificates (for exports) that include the wine's origin and quality. Wine production increased to 986 million liters, up from 868 million liters in CY2008, the highest output for the last ten years. The Maule Valley, in Region VIII shows the highest production, 411 million liters which is 48.6 percent of total production. Out of a total of 34 wine varieties, 18 are red varieties. Wine produced from table grapes which is 2.6 percent of total wine production, fell 41.7 percent in 2009 when compared to production in 2008.

The largest increase is wine with denomination of origin (D.O.), increasing from 692 million to 859 million liters. Out of this total 70.3 percent is red wines which are 604 million liters and 255 million liters of white wines. Out of the total red wine production with D.O. a 39 percent is Cabernet Sauvignon variety, 14.2 percent of Sauvignon Blanc, 13.3 percent Merlot, 11.2 percent Chardonnay, 8.7 percent Carmenere and 4.9 percent Syrah.

**TABLE A: Chile – Wine production years 2005 – 2009 (HL).**

Year	Wine with D.O.	Wine without D.O.	Table grape wine	Total
2005	6.303.212	1.047.796	534.503	7.885.511
2006	7.163.043	861.365	424.370	8.448.778
2007	7.038.874	879.062	359.524	8.277.460
2008	6.927.908	1.318.511	436.551	8.682.971
2009	8.593.609	1.021.246	254.489	9.869.345

Source: Ministry of Agriculture

Together with an increase of production, exports of wine also increased, but only 9.6 percent in volume and fell 2.5 percent in value for the first 6 months of 2009. As a result the industry expects another increase in total stocks during 2009 which could further deteriorate prices paid by wineries to farmers unless exports expand more during the second semester of 2009. The fall of the export value is explained by a reported fall of 11.4 percent of the average prices of the wine exported.

**TABLE B: Chile – Wine Exports January – June 2008 and 2009 (HL).**

(In HL)	Jan - Jun 2008		Jan - Jun 2009		Percentage Change	
	Volume	Value	Volume	Value	Volume	Value
Sparkling wine	7.158	2.307	6.054	2.540	-15,4	10,1
Bottled wine	1.643.928	533.992	1.813.003	512.545	10,3	-4,0
Bulk wine	1.115.302	96.815	1.212.713	102.473	8,7	5,8
TOTAL	2.766.388	633.114	3.031.770	617.558	9,6	-2,5

Source: Ministry of Agriculture